

Holiday Shores
Board of Directors Meeting Minutes

Date: May 23, 2018

Attendance

Board Members

Present: Dave Decker, Michael Hawks, Shaun Diltz, Steven Yates, Jr., Alexandria Clark and Matt Ressler.

Quorum Present: Yes

Others Present

Rob Frey, Angie Webster and Misty Soliben from the Holishor Office.

Holishor Members Present:

Non-Members Present: Kurt Westrich with Hennegan & Associates.

Proceedings

Meeting called to order at 7:30 PM

Pledge of Allegiance Recited

Minutes of May 9, 2018

Alexandria Clark - Motions to approve the minutes as submitted.

Shaun Diltz - Seconds.

All in Favor.

Motion Carries.

Transfers of Property

There were 5 transfers of property, all of them triggered initiation fees.

Correspondence

Introduction of New Board Members

Resignation of Board Member

It was announced that Jeanne Abert resigned after the annual meeting on May 19th. Her letter of resignation was read. **Dave Decker** – With that being the case, we'll be looking for a replacement Board Member. According to our rules, we have 30 days. "Any vacancy of the Board of Directors, whether caused by resignation, removal from office or otherwise, shall be filled within thirty (30) days by the Board from the roster of eligible members." We have received notification from for individuals of an interest to fulfill that role I think there might be one or two others, but we've actually receive documentation from those four. Later in the meeting I would like for those four to get up and give us the 2 minute version of why they want to do this and then the board will have an opportunity to take that. We'll probably end up coming back with some questions at a later point and then we'll have further conversations.

Results of Officer Election for Board of Directors

President - Dave Decker

Vice-President - Michael Hawkes

Treasurer - Shaun Diltz

Secretary - Steven Yates, Jr.

Director - Alexandria Clark

Director - Matt Ressler

Director - Vacant

Steven Yates, Jr. - Motions to approves minutes from Executive session after the annual meeting.

Shaun Diltz – Seconds.

All in Favor.

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Motion Carries.

Lake Manager

Dave Decker - At the April 25th 2018 Executive Board meeting, the board approved the termination of the employment of Glenn Dalton effective May 25th 2018. I expect there are a lot of questions as to why, but since this is a personnel matter, it will have to suffice to say that the board felt there was a need for a change in the Lake Manager position.

The vote went as follows:

Those in favor: David Decker, Michael Hawks and Steven Yates, Jr.

Those opposed: Jeanne Abert and Monte Thus.

Abstained: Bob Lowrance.

Absent from the meeting was Shaun Diltz.

I, this board, and previous board of directors would like to thank Glenn for his more than 10 years of service to Holiday Shores.

Old Business

Award of 2018 Road Bid

Dave Decker - Earlier this year we had put on a bid for two significant road rebuilds. We engaged Hennigan and Associates to work on that packet. The bids came in at the last meeting. They were evaluated by the office staff and by Hennigan. I'm not going to read the whole letter, but it basically says that based on their analysis, "Stutz Excavating Incorporated appears to be the low bidder. we are familiar with their company and their previous work. Their base bid and alternative bids 1 and 2 for the amount of \$188,999.60 is approximately 8% lower than our estimated cost." They went on to say that it is their recommendation to use them, but of course it's the board's decision to decide who we actually use. At this point I would like the board to have a discussion as to the awarding of those. there were two pieces to the bid. One is the actual plan that we had established in advance. the additional bid was for the additional culverts that were brought up the night that we we're getting ready to send the bid out. Do any of the board members have any comments? Just for those board members that weren't here for the reading of the other bids, Stutz is around 8% lower than our estimate and considerably lower than our higher bidders. **Alexandria Clark** - Do you have any concerns with our lower bid? **Kurt Westrich with Hennegan & Associates** - I do not. I know that was expressed to me when the bids were opened because the other bids are kind of in the same range and they're about \$60,000 higher. I've talked to the contractor about it and they were very helpful with their numbers and looking through the spreadsheet here it appears that the big cost that's involved is with the culverts in the project. I'm not sure why the other three contractors bumped up those prices so much but they were kind of in the range of where we thought they would be and they felt comfortable with their numbers. We've worked with them in the past and we have no concerns at this point. **Steven Yates, Jr.** - We had an anticipated number for the two roads. they came in a percent lower than our estimate. The other three came in quite a bit higher like 14 to 15% higher. Do you have a reason why? And I'm just curious if they came back that materials were higher or something like that because it looks like we missed the mark quite a bit. If we're going to move forward I would like to make sure that we have proper numbers. **Kurt Westrich with Hennegan & Associates** - I addressed that I little. **Dave Decker** - I distracted you, Steve. I apologize for that, Kurt. **Kurt Westrich with Hennegan & Associates** - The big difference in the cost that we found was culverts. For some reason the other three had pretty significantly higher numbers. These culverts are not difficult. they're only a few feet deep. We've got the removal cost already figured in. I'm not sure if they misunderstood how it was to be done but talking with the contractor who actually was the lowest, Stutz, they felt very comfortable with their bid. I don't see the numbers of the other three estimating to be that high. I think it was just the environment. Those three particular contractors maybe a little bit of busier at that time or weren't as aggressive on it. I did not talk with them. I just talked with the low bidder. **Dave Decker** - And Stutz has the availability to do this within our time frame obviously, or they wouldn't have put in the bid. **Kurt Westrich with Hennegan & Associates** - And actually what were showing right now, we're 3 weeks ahead of what we had scheduled originally. I have talked to them. They are able to start on it the end of June or the first part of July. They wouldn't do any of the road reclamation work of actually tearing up the roads at that time. They would be doing the tree removal in the culvert placements and they would

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probably start on the roads the week after the 4th of July in order to not interfere with things going on here. They anticipate that they would be able to have it done before the end of August. **Dave Decker** – Rob, I just want to ask you as a representative of the office staff. Do you have any issues with the utilization of Stutz for this effort? **Rob Frey** - No. No concerns here. **Dave Decker** - And you've seen all the bids, right? **Rob Frey** - Yes. **Dave Decker** - Does anybody else have any questions? **Steven Yates, Jr.** - I know there was some cost involved in the tree removals on the bid on the corner of Sextant. They're getting ready to put a house in, so they've taken a lot of trees out and one of those was one that was marked on our road plan. I don't know what that's going to equate to but it might save us a little bit of money. I just want to make sure that just because we're awarding it to them they won't be charging us for the work that has already been done. There might be a little savings there. **Kurt Westrich with Hennegan & Associates** - There definitely will be. The way the contract is set up, it's a unit price contract so they only get paid for what they actually do. We will have representatives out there to track the work that gets done so if there were six trees that needed to be removed and now there's only four they will get paid for four. **Steven Yates, Jr.** - Okay. Thank you. **Dave Decker** - Based upon the budgeted amount that we have in our annual budget, this bid is coming in underneath that. So we do have the funds budgeted for this project. **Shaun Diltz** - We're \$27K under for the project. **Steven Yates, Jr.** - Motions to accept the Stutz bid for the base and both alternatives.

Alexandria Clark - Seconds.

All in Favor.

Motion Carries.

Dave Decker - The next step is to put together a plan for a timeline. One of the things that we need to work on is to make sure that we have communication going out to the people that live in this area. I'd rather it not be a surprise to them because it will be an interesting period of time while they're doing the work. **Kurt Westrich with Hennegan & Associates** - As far as the coordination goes would you just like us to work with you? **Dave Decker** - Work with Rob. **Kurt Westrich with Hennegan & Associates** - Okay. I'll get with the contractor and get the dates that they're anticipating. I don't know how you want to handle the contract itself. I need a signature on it. **Dave Decker** - Do we have a copy of the contract, Rob or Angie? **Angie Webster** - I do not. **Rob Frey** - I can't put my hand on a copy right now, but I can get it. **Dave Decker** - After the meeting, we'll make sure that we get it signed. **Kurt Westrich with Hennegan & Associates** - Okay.

Appropriate use of Association Facilities and Equipment

Dave Decker - So, in reviewing the guidelines in the employee manual a couple months back, it was identified that we really don't have much in the way of guidelines or rules for our staff on utilization of our equipment. This initially came out from the utilization of our computers. With the new server, installation of the new monitoring system and the new firewalls there were a couple things that looked interesting. So this document was put together. I know it's rather long. This was plagiarized from another source and we replaced the previous firm's name with Holishor Association. It basically says that the use of the computer system, the use of the equipment is to be used for the Holishor Association while intermittent or small uses for personal use is okay, it cannot get in the way of doing the company business. I don't know if the 2 new board members have read all the way through this. I'm fairly familiar with it. What are your thoughts on this? One other comment. On the front page, there's a box. I feel that this part should be put on the computer's login screens so they are agreeing to being monitored and that they know the rules when they log in. This would also be added to the employee manual. **Steven Yates, Jr.** - So this would pop up everytime someone would sign in and they would have to accept it everytime? **Dave Decker** - Yes.

Shaun Diltz - Motions to approve the policy and to add it to the computer login.

Michael Hawks - Seconds.

Steven Yates, Jr. - Are we going to have a copy of this for everybody to put in their file? **Dave Decker** - So, typically you'll get a form that says they acknowledge that they've received the addition. **Steven Yates, Jr.** - Okay. **Angie Webster** - Will this be for anybody that signs into the network period, whether they be a guest or just for the Holishor computers? **Dave Decker** - So you currently have on our wireless an agreement to that effect right now. So this would be anyone on our network period. This also covers more than just computers. It also talks about use of our equipment such as trucks and dozers. **Angie Webster** - Okay.

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**All in Favor.
Motion Carries.**

Collections

Dave Decker - We have a letter that discusses the collection company that we approved at the last board meeting. My understanding is that when Glenn went to tell them that they had been awarded the business, they told him that we didn't have all the information that we needed to give them to do those collections. After some discussion earlier tonight, there is a possibility that we may have that information. So at this point we need to go back and look to see what information we actually have that we can give them and whether or not we can use this company. There was a recommendation to go with another company as an alternative. I personally don't think we want to split it. I think managing our collections is a challenge enough. I think we need to commit to one company. **Shaun Diltz** - I agree. It would be more complex to track if we split it up. I would say find out what we need and if it's a high percentage of people that they can't take we can make a decision. **Dave Decker** - So, at this point will table this the next meeting. Angie, if you could check the files and see if we have any of this information for at least the ones that we have approved. **Angie Webster** - So is it just the Social Security numbers or is it Social Security and Date of Birth? **Dave Decker** - You'll have to look at the letter. **Steven Yates, Jr.** - And also if our attorney has been working on this, you might want to see if they have any resources to gather that information as well. They might have access to something that we don't. **Dave Decker** - For those of you that don't know, we have been working on this collection list for years. When I first got on the board it was basically office staff doing payment plans with folks. Through the last years, we've escalated that up to the point where we started taking folks to court in an effort to collect the money due. We've been successful in collecting a pretty significant amount of money and off the top of my head I will tell you it's over \$50,000 and I'm sure I'm way underestimating what that number is. That's probably being really conservative. And this is money we had never collected before. We worked really hard on moving that process along. We continue to take more and more folks to court who are not paying. I personally believe that you need to pay your own fair share. If you move out here, you agree that you owe the assessment and dues. We've historically always filed liens on the properties and when the property is sold we collected the money then. However, if they go into foreclosure you are out the money. We've gotten to the point now where we are going to collections for people that are 3 years in arrears. When we started we were talking about people that were 10 years plus. We will continue to push that our liens are filed within a timely manner. That has fallen a little on the wayside over the last couple years. We will readdress that and make sure that our letters are going out on time and continue our efforts to make sure that your neighbors are paying their fair share.

IT Status

Dave Decker - The only thing I had my packet was about 20 pages of what our server space and disk space was available. All of which looks fine in my perspective. If nobody has any questions, we'll be working with the office staff as to where we are with any current office issues. We have a contract in place with a maintenance company. If they have any issues they can contact them directly and get those results in a timely manner.

Letter from Robert Rule/PWC Boating Rule

Dave Decker - So we have a letter from Robert and Kelly Rule. I'm going to paraphrase it. This is in regards to our current rules for PWC's. At the board meetings on May 24, 2017, we discussed PWC's. over the years we've had people come in and request that we increase the horsepower in the cc's that are allowed on our lake. Each time that occurs we send that to the Boating committee. Historically the Boating committee comes back and request that we leave it at the current levels. During that board meeting it was stated by Shaun Diltz that he had looked up the information and there is one example of a PWC that is available that falls within our cc limits, it is called the SeaDoo Spark. After that meeting Robert came in and talked to Glenn. They discussed the fact that the SeaDoo Spark was within the limits of our rules and I want to read the rule. It states on page 3, Prohibited Watercraft "2-stroke or 4-stroke PWC greater than 85 horsepower or 750 cc's". This particular unit is actually rated at 65 horsepower and 899 cc's. So it meets one criteria but not the other. You came in and had a conversation with Glenn. He said based upon the meeting that we had it was okay because he didn't realize

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that it was over one limit but under the other. At that point you went out and bought one. You were issued a sticker for it last year and this year you got a letter that said you weren't going to get a sticker for it because it didn't meet the criteria. The conversation that the board and had was that it was bought prior to you having a conversation with office. That's the reason the Board took that direction. So you're here requesting a variance for your PWC based on the fact that you had a conversation with Glenn before you purchased it. **Robert Rule, 1833** - Correct. **Shaun Diltz** - So this came up last year. A few people sent me some links and I read up on it. I saw what I thought was within the guidelines. I did state that. Some people in the office did the research and saw the same thing. That's why that was said. We didn't know that that specific model fell out of the guidelines until a couple meetings ago. **Robert Rule, 1833** - To be honest, I didn't either. I didn't ask what the cc's were on it. I wasn't told. Glenn didn't ask. There was no discussion on it. When I got the letter, I had to go look it up. **Dave Decker** - The other thing that was discussed at the meeting where it was determined that we weren't going to allow them was the fact that you can program them and have that horsepower changed. **Robert Rule, 1833** - Yes. I've listened to those meeting minutes. Not quite all of that is accurate but I will not deny that something can be done. **Matt Ressler** - How long is this watercraft? **Robert Rule, 1833** - It's a 3 seater. **Matt Ressler** - What's the top speed? **Robert Rule, 1833** - I believe 45 mph. **Shaun Diltz** - Have you ever had an older PWC out here before? **Robert Rule, 1833** - Yes. **Shaun Diltz** - Are there any new safety features on this one compared to the other one that you had? **Robert Rule, 1833** - Yes. There's several. The speed is measured by GPS. It knows when you are decelerating, if you were trying to turn you can actually maneuver the watercraft without giving it any gas. My old one you had to power turn out of it. This one you can maneuver while you are decelerating. It's a lot more stable. With it being programmed, I have a second key to give my kids that allows the speed to be governed. So with that programming yes you can make it go faster but I can use the touring key for my kids. It keeps it at a lower speed for them. I also want to say that 2004 and below is about the only other PWC's that are allowed out here. That was before emissions testing for pwc's so all of those out there now dump about a gallon of gas in our lake every 4 hours. This is a four-stroke and it burns clean, so it has environmental advantages too. **Shaun Diltz** - I brought up the safety measures because when I looked up the statistics for PWC's last year on the Illinois site, it says that the newer people that have been boating less than an hour are statistically more likely to be the ones that get hurt. The PWC's out here are older and have fewer safety features. **Robert Rule, 1833** - A lot of those statistics are from before a boating class was required. I know there's not a lot of experience with that class but you are at least getting 4 hours of knowledge. I do keep a close eye on my kids and I make sure that everybody else keeps a close eye and I haven't heard any bad feedback yet. **Matt Ressler** - How old are your children. **Robert Rule, 1833** - My oldest is 13. **Dave Decker** - My biggest concern is the fact that you did come in and talk to Glenn and you did get pre-approval before you went out and bought it. **Robert Rule, 1833** - Yes. Because I knew it had been talked about several times and I did not want to go out and spend a bunch of money and not be able to use it. I also heard in the meeting minutes that this issue was put off on somebody else and blamed on somebody else and my conversations were with Glenn. **Steven Yates, Jr.** - And my recollection of that day was definitely before we made a decision on sending you that letter we had asked if you did have that communication prior to purchasing the PWC. that was a factor on how we decided to move forward. **Robert Rule, 1833** - Yes. there were two conversations. **Dave Decker** - so basically at this point you're asking for a variance to continue to be able to utilize that unit on the lake moving forward. **Robert Rule, 1833** - That is correct. **Steven Yates, Jr.** - Motions to approve the variance. **Shaun Diltz** - Seconds. **Steven Yates, Jr.** - I would like to state that there will probably be a heavy eye of public safety pertaining to the use of that watercraft to make sure that there aren't a lot of complaints. There were a lot of people that were dead set against these watercraft. **Robert Rule, 1833** - It's unfortunate. I would just like to state that I was not trying to get away with something, **Steven Yates, Jr.** - I would like to see some positive things come out of it. Like you said, less fuel in the water. I'm actually for the safety aspect of it. if I were to put my kid out there I would like to know that I would be putting them on something that was going to start and stop and do what it's supposed to do and turn when it's supposed to. you know what I mean. so I get it. **Robert Rule, 1833** - Unfortunately when son brought our older waverunner in because we thought the battery was dead, we took the seat off and put the clamps on and got a nice little flash. so there were a lot of unsafe things about the old

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one that I wasn't comfortable with him riding on it anymore. **Alexandria Clark** - As long as you follow the rules, I'm okay with it. **Michael Hawks** - Has it been on the water this year. **Robert Rule, 1833** - Yes. About a day prior to getting the letter.

In Favor - Shaun Diltz, Steven Yates, Jr., Alexandria Clark and Matt Ressler.

Opposed - Michael Hawks.

Motion Carries.

New Business

Marathon Pipeline waterway inspection

Dave Decker - We have a Marathon Pipeline that runs through our community. It runs under the North End of the lake. Periodically they will do inspections. They sent us a letter indicating that they were doing the inspections this week. Rob I'm going to keep picking on you. That was supposed to start this week. Have they been in contact with you or have you seen them? **Rob Frey** - We received a letter. I have not seen them or received any phone calls from them. **Dave Decker** - They were going to start the week of May 21st and complete the survey by June 23rd. so they have a whole month window in there. We can expect that they're probably be somebody out here and somebody doing some diving on the North End checking the depth of the pipe there.

Dam Inspection

Dave Decker - We have periodic inspections on both of our dams as required by the state. We have received the report from the engineers. We've asked Rob to take a look at the inspection in a summary of what they found and what their concerns are. And we'll expect that at the next board meeting

Committees

Dave Decker - With the change in the board we are going to need some of the board members to step up and join some of the Committees. I'm not going to ask for any commitments tonight but for the two new board members please consider any committees that you might want to be involved in. I've already been told one that one individual is interested in. we're going to have to establish a new committee and that will be a committee to find a replacement for our Lake manager. I was actually involved in the process to hire Glenn. I was one of the people that recommended and voted for him to be hired. What we did at that point is we established the committee, put together the job description, which you guys were given copies of tonight. Will need to tweak that but we need to get a core group of people together. It doesn't have to be the full board. It doesn't have to be only board members. We can have people outside the board involved. But I do need a person from the board chair that committee. I know I didn't ask for any volunteers before and I know I said I wasn't going to ask for any volunteers tonight but I'm asking for volunteer. Is anybody willing to step forward and say they will run that committee? (No reply) In that case I guess I will do it because I believe it's very important that we have a board member being a chair of the Committee involved in the hiring process. If anybody has any interest in participating in that committee please do so. Let me tell you if you do not have any interest in it you're still going to get pulled in. I'll start assigning people to it. Because we have to do this and we have to get it done. **Alexandria Clark** - I'll participate, but I don't want to run it. **Steven Yates, Jr.** - Same here. **Dave Decker** - We need to do it in an expeditious manner.

Introductions of Potential Board Members

Michael Hawks - Motions to adjourn to executive session. **Steven Yates, Jr.** - Seconds

Action: Motion Carries.

Meeting adjourned at 8:47 p.m. to Executive Session.

Meeting minutes submitted by Misty Soliben.